



Chartered Institute of Personnel and Development

Advanced Level Qualification

Human Resource Management in Context

September 2014

23 September 2014

09:50 – 13:00 hrs

Time allowed – Three hours and ten minutes
(including ten minutes' reading time)

Answer Section A and five questions in Section B (one per subsection A to E).

Please write clearly and legibly.

Questions may be answered in any order.

Equal marks are allocated to each section of the paper.
Within Section B equal marks are allocated to each question.

If a question includes reference to 'your organisation,' this may be interpreted as covering any organisation with which you are familiar.

The case study is not based on an actual organisation. Any similarities to known organisations are coincidental.

You will fail the examination if:

- You fail to answer five questions in Section B (one per subsection) and/or
- You achieve less than 40 per cent in either Section A or Section B and/or
- You achieve less than 50 per cent overall.

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SECTION A – Case Study

Note: In your responses, you are allowed to improvise or add to the case study details provided below. However, the case study should not be changed or compromised in any way.

Search Group International (SGI) is an independent recruitment agency that helps people find jobs and employers find employees in the UK labour market. SGI does this by acting as an intermediary between people looking for work and employers looking to hire people. It works with private, public and third-sector organisations and its market niche is typically secretaries, cleaners, caretakers, security staff, care workers, social workers and nursing staff. SGI is particularly involved in supplying employers with qualified migrant workers from overseas who want to work in the UK and who provide a growing part of the UK labour force.

SGI also claims to be an ethical organisation and campaigns on behalf of migrant workers, who are particularly at risk of being exploited in the workplace, to get them a 'fair deal' at work. This may be due to lack of knowledge of their employment rights, limited command of the English language or because they are reluctant to complain about bad treatment by their employers. They may also be exploited because of racist or sexist attitudes within the workplace.

Because of its role in facilitating migrant workers to obtain employment in the UK, SGI has attracted noisy criticism by some individuals, politicians, pressure groups and political bodies that are hostile to economic migration into the country.

A basic STEEPLE analysis of SGI's external business contexts includes the following:

1. Workers from EU countries have the right to live and work in the UK. Since the expansion of the EU in 2004, it is estimated over 700,000 Polish workers alone have registered to work in the UK, thus boosting its workforce and enabling the economy to expand. But immigration is an emotive issue which often generates sensational headlines in tabloid newspapers. These include allegations that migrant workers 'take' British jobs or 'undercut' pay by working for 'less'.
2. Most migrants come to the UK from less economically-developed countries. They can earn higher wages in the UK than in their home country. The average monthly salary in the UK recently, for example, was almost £2,500 whereas in Poland it was £500. This difference in wages allows migrant workers to enjoy an improved standard of living. They are also able to send money back to their families in their home countries.
3. According to UK Government statistics, the output of new migration adds about 0.5 per cent to the country's Gross Domestic Product (GDP) annually or something equivalent to an extra £6 billion per year to the national economy.
4. Many business leaders express the view that migrant workers commonly have a more positive work ethic than domestic workers. Employing workers who not only have the necessary skills but also are keen to work allows many businesses to achieve a competitive advantage.

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5. The UK has an ageing population. Without immigration, the UK labour force would be shrinking, resulting in a smaller labour force supporting the growing population of retired people. This is forecast to worsen over the next 20 years. There are also specific vocations where the UK has skills shortages. For example, something between 15-20 per cent of all care workers are migrant workers, who are skilled workers that have trained in their home nations.
6. Changes in technology, including a rise in automated workplaces and development of the World Wide Web (WWW), have transformed the ways in which many businesses work. Automated production processes in factories means less-skilled workers are needed, whilst the WWW has created a need for information processing in purchasing, operations management, and data management, such as online shopping. Many migrant graduates have come to fill these specialised vacancies.
7. A major technological factor affecting migration has been the increased availability and reduced cost of transport. Over 75 per cent of migrants fly to the UK, mostly using budget airlines.
8. Improvements in telecommunications have made it easier for potential migrants to discover what job opportunities are available. Through online chat rooms, for example, they gain information and advice from other migrants from their own country and keep in contact with family and friends there.

The new Chief Executive Officer (CEO) is concerned about SGI's contentious image in parts of the community, but she wants to expand the business including supporting inward migration into the UK for the claimed economic and social benefits it provides the business community and society. She has appointed you, an external consultant, to help do this. She is preparing a brief to take this objective to the next stage of its development.

You are asked to prepare a report to the CEO covering the following issues, drawing upon research and current practice.

1. **Critically outline the economic cases for and against migration into the UK for the national economy.**
2. **Discuss UP TO THREE non-economic advantages the UK gains from migrant labour and UP TO THREE non-economic disadvantages. Analyse the implications of these for SGI.**
3. **Outline and critically review the factors that can lead to exploitation of migrant workers in the UK and how these might be addressed in SGI's dealings with its client employers.**
4. **Given SGI's policy of promoting economic migration, suggest how the company can respond to criticisms that it is too involved in the politics of immigration rather than the economic issues.**

It is recommended that you spend an equal amount of time on each of the above tasks.

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SECTION B

Answer FIVE questions in this section, ONE per subsection A to E. You may include diagrams, flowcharts or bullet points to clarify and support your answers, so long as you provide an explanation of each.

A

1. You have received the following email from a colleague: 'I understand an increasing amount of interest is being shown by some commentators in the role of "stakeholders" in organisations.
 - i. Explain, with examples, why and how stakeholder analysis is being used in such organisations.
 - ii. Identify the main stakeholders in your organisation and indicate which are the most important ones and why.'

Respond to this email, drawing on research and/or current practice to inform your answer.

OR

2. You have been asked to make a presentation to a group of early-career managers in the local management club for young managers. The topic you've been asked to talk about is 'Corporate Social Responsibility (CSR):
 - i. Critically examine the cases for and against an organisation having a policy on CSR.
 - ii. Explain why your organisation either has or does not have a CSR policy.

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B

3. A recent job advertisement for a College Principal in a major UK university states that candidates need to demonstrate, amongst other qualities, 'a collegial style of management to build consensus.'
- i. Drawing upon research, discuss what is meant by a 'collegial style of management'.
 - ii. To what extent does senior management in your organisation either demonstrate or not demonstrate a collegial style of management and why?

OR

4. Following Legge's (1978) classical study of the roles of personnel management in organisations, several other models of the HR function in organisations (such as Tyson and Fell and others) have been proposed and promoted by researchers.
- i. Drawing upon research, select any **one** of these models of the HR function and critically evaluate it.
 - ii. How does this model of the HR function apply (or not apply) to your organisation? Give reasons for your response.

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5. You have been asked to give a talk to students in a local sixth-form college who are interested in developing a career in management. The title of your talk is 'What is corporate strategy and why it is important.'

Drawing upon research and/or current practice, draft what you will say. Justify your answer.

OR

6. After more than two decades of research, a vast body of knowledge has accumulated suggesting that HRM strategies which impact on the motivation, knowledge, skills and behaviour of employees promote improved employee, organisational and financial performance.

Select any **one** of these models of strategic HRM and critically evaluate it.

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7. You have been asked to write a short article in a local e-newsletter for managers. The title is: 'What are the main differences between the UK market economy and social market economies in mainland Europe and what are the implications for managers.'

Drawing upon research, draft what you will say and why.

OR

8. Your new Chief Executive Officer (CEO) is very concerned about the changing structure of the UK labour market and its possible impacts on your organisation. He has sent you the following email.

'Following our recent conversation:

- i. Please summarise what you consider to be **up to three** major trends in the structure of the UK labour market

AND

- ii. What you regard as the main implications of these trends for our organisation in the short term.'

Drawing upon research, draft a reply to the CEO. Justify your response.

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9. There are many definitions of contemporary globalisation. One example describes globalisation as the process by which national and regional economies, societies, and cultures have become integrated through a global network of trade, communication, immigration and transportation.
- i. Drawing upon research, discuss whether or not this is a satisfactory definition of present-day globalisation.
 - ii. Critically evaluate how globalisation affects or does not affect your organisation.

OR

10. It is generally recognised that multi-national companies (MNCs) are now major players in the global economy. These are businesses, which operate in a wide range of industries and sectors, owning or controlling production or services facilities in one or more countries other than their home country.
- i. Identify and critically review, with examples, the advantages of MNCs to the host country where they are located.
 - ii. Identify and critically review, with examples, the disadvantages of MNCs to the host country where they are located.

END OF EXAMINATION

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Introduction

This report reviews the September sitting of the Human Resource Management in Context advanced level examination of the CIPD. This is one of the core modules within the advanced level qualifications framework and draws upon the "Insights, Strategy and Solutions" professional area of the CIPD Profession Map.

In this examination, 245 candidates took the unit. Of these, 166 achieved a pass standard or more, giving a pass rate of 67.3 %. The breakdown of grades is shown in below. Pleasingly, the proportion of merits was a couple of percentage points higher compared with recent examination diets, whilst the proportion of fail candidates was slightly lower. It is noticeable too that without a very poor level of overall performance in a number of centres with small student cohorts sitting this examination, the pass rate on this occasion would have been well over 70%.

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Grade	Number	Percentage of total (to 1 decimal point)
Distinction	5	2.0
Merit	36	14.7
Pass	124	50.6
Marginal fail	22	9.0
Fail	58	23.7
Total	245	100

The examination consists of two sections, a seen case study in Section A and short answer question in Section B, where candidates have to attempt five (out of 10) questions, which are divided into five sub-sections. All the learning objectives of the unit are assessed on the examination paper.

In addition to demonstrating knowledge and understanding in this examination, successful candidates are expected to match the CIPD vision of the HR professional as a business partner and a thinking performer who can deliver day-to-day operational requirements and reflect on current procedures, systems and contexts, so as to be able to contribute to continuous improvement and change initiatives.

Candidates are expected to achieve M-level performance in the examination, drawing upon evidence-based argument, critical thinking and broad understanding of their field of study, not only within their own organisation and sector but also across a reasonable spectrum of other organisations and sectors.

Section A

Learning outcomes: 6 and 7

This section consisted of a seen case study with four questions, where candidates were expected to answer all questions. The case study was about an employment agency that

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specialises in helping overseas workers obtain employment in the UK, as well as enabling employers recruit employees in the UK labour market.

The case study touched on a number of issues covered in the learning outcomes. However, it was particularly intended to test in-depth knowledge and understanding of Learning Outcomes 6 and 7.

There are a number of ways in which this case could be approached but the following summary points could be examined and developed in answers.

Answers were expected to demonstrate M-level performance and the ability of candidates to develop logically structured and clearly focused responses to the questions put. They were also expected to show familiarity with recent research and examples of good organisational practice. Evidence of research and critical evaluation demonstrated different levels of performance between stronger and weaker scripts.

Task 1

This asked candidates to critically outline the economic cases for and against migration into the UK.

There are a wide range of economic arguments promoting and supporting economic migration into countries like the UK. Arguments supporting it include: existing job vacancies and skills gaps which are absent nationally can be filled at all job levels; national economic growth can be sustained; services to an ageing population can be maintained when there are insufficient young people to do this locally; the pension gap can be filled by the contributions of new young workers because they pay taxes; economic immigrants bring energy and innovation into the country.

Arguments against migration include: depression of wages may occur but this seems to be temporary; having migrant workers willing to work for relatively low pay may allow employers to ignore productivity, training and innovation issues; migrants may be exploited by bad employers; increases in population can put pressure on public services and housing stocks; unemployment may rise if there are unrestricted numbers of incomers.

Appropriate economic factors were generally provided by most candidates but only some of them evaluated them or included references to reliable sources. Better answers were comprehensive and balanced, with some candidates producing well-informed debates. Better answers also explained how migrants contribute to GDP in the UK and discussed how they help with the pension deficit, skills gaps and so on. Some disadvantages were also highlighted, with better answers demonstrating balanced and measured responses, including some critical evaluation.

Weaker answers were either limited to just one or two issues and/or lacked any attempt at assessing the issues identified. These answers were superficial, sometimes consisting of throw-away points such as 'immigration helps fill the skills gap' or 'they contribute to GDP'.

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Task 2

This required candidates to discuss up to three non-economic advantages the UK gains from migrant labour and up to three non-economic disadvantages and to analyse the implications of these for the recruitment agency.

A number of non-economic advantages accrue to the UK from migration into the country. These include: increasing social diversity; enrichment of existing social cultures and contributing towards the UK's multi-cultural identities; the positive integration of other social cultures into communities; cultural renewal incorporating new ideas and behaviours. The non-economic disadvantages include: the clustering and segmentation of cultures throughout society; possible integration difficulties and friction with local people; large movements of people lead to more security monitoring; ease of movement may facilitate organised crime and people trafficking. Basically, the agency has to take these and related factors into account in carrying out its business functions in dealings with its clients and client organisations. Sensitivity to such issues is needed by front-line people in representing the business.

This question unfortunately caused some repetition in the answers provided in responses to Task 1. There were a number of candidates who were unable to identify any significant non-economic factors and, as a result, merely repeated the economic factors already discussed but they were phrased differently. Some candidates missed what the UK gains from migration and discussed the advantages and disadvantages in relation to organisations. But in general, responses to this question were much weaker compared with answers to the first task.

Task 3

This asked candidates to outline and critically review the factors that can lead to exploitation of migrant workers in the UK and how these might be addressed in the agency's dealings with its client employers.

A number of factors are involved here. Migrating from overseas countries into the UK where some migrants may be economically and socially less advantaged, and doing the sort of jobs SGI helps recruit, brings many challenges to migrant workers. These include: language issues; cultural issues; knowledge and understanding of the business cultures they are entering; information and knowledge of the economic and social system they are seeking to enter; possible deferential attitudes due to educational disadvantage; and anti-immigration prejudices by local populations. SGI can adopt a non-interventionist role in helping recruit and select such workers or an interventionist one, which helps match migrant expectations and ambitions with those of potential employers. Other contingent strategies are possible.

Overall, answers to this question were better than the previous two. The suggestions regarding sources of exploitation were feasible, including language barriers, ignorance of legal rights, low pay, long hours and fear of losing their jobs were they to complain.

Reasonable recommendations included more detailed contractual arrangements between SGI and its clients, improved literature and website content on rights of immigrant workers, and any restrictions on working arrangements.

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In other cases, candidates focused on describing examples of exploitation rather than the factors leading to it. This is an example where the question is misinterpreted by candidates. The second part of the question, however, did reveal a consistent level of sensible recommendations, suggesting candidates were comfortable with proposing initiatives to limit exploitation in the workplace. Better answers moved beyond these to consider broader possibilities for dealing with discrimination and prejudice, including that from fellow workers. Most addressed the implications for SGI, although some of the ideas presented were rather ambitious.

Task 4

This question asked candidates to suggest how the company can respond to criticisms that it is too involved in the politics of immigration rather than the economic issues.

The agency has a number of ways of responding to this situation. The safest one is to base its case on the business arguments for inward migration, along with the ethical dimension involved, and to promote itself as an organisation seeking to benefit both employers and workers and match their needs in the labour market. This diverts the discussion away from the politics to the economics of migration. It might also stress the importance of client organisations acting responsibly in carrying out their employer and welfare roles in the workplace within the framework of appropriate equal opportunities and diversity policies. How to do this is problematic but is likely to be organisation-specific.

This question appeared to be the most difficult one for candidates. Answers were often short, with little relevant material being provided. Good answers, on the other hand, focused on economic rather than political issues. More aware candidates realised that focusing on the economic benefits of immigration was probably the favoured strategy for SGI. Other informed suggestions included developing partnerships with other pro-immigration organisations and/or employing a PR company to design promotional literature.

Section B

In this section, candidates had to choose one question out of two in each of five sub-sections that covered the remaining learning objectives not examined in the Section A case study. Most questions consisted of more than one part and candidates were expected to attempt all parts in each question.

As in Section A, answers were expected to demonstrate M-level performance and the ability to develop logically structured and clearly focused responses to the questions put. They were also expected to show familiarity with recent research and examples of current practice. Again evidence of research and critical evaluation demonstrated different levels of performance between stronger and weaker scripts.

Question 1

Learning outcome: 1

This question asked candidates to explain, with examples, why and how stakeholder analysis is being used in organisations. They also had to identify the main stakeholders in their organisation and indicate which are the most important ones and why.

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Stakeholder theory contrasts with stockholder theory, where the latter puts the interests of shareholders and owners first rather than those parties with other interests in the organisation. Basically stakeholder theory asks in whose interests are an organisation to be run. This suggests that different sets of stakeholders can be identified in organisations, with different sorts of interests or stakes within them. There is a wide variety of stakeholder analytical models to draw upon. Any one of these could be reviewed. An example is the typology of stakeholders by Mitchell et al, which distinguishes between the power, legitimacy and urgency of stakeholders.

This was one of the less popular questions in this section. Most candidates achieved a pass grade or better, with very few falling below a marginal fail standard. Most were able to identify a relevant model, with better answers utilising it in their answer to second part of the question. The main failing of weaker answers was they did not address how stakeholder theory was being used and why.

Answers earning a pass or better included Mitchell's model for prioritising stakeholders or power-interest matrices. The few very good answers then indicated in the second part of the question how these models applied to their own organisation. Answers to the second part of the question often contained a list and brief discussion on some stakeholders but with no justification for their importance other than they exist. These answers needed at least some comment on how stakeholders are prioritised and managed, as well as the extent to which they are able to influence organisational decisions.

Question 2

Learning outcome: 1

This question asked candidates to critically examine the cases for and against an organisation having a policy on 'corporate social responsibility (CSR). They also had to explain why their organisation either had or did not have a CSR policy.

The case for CSR is based on argument that sustainable business success and shareholder value cannot be achieved solely through a policy of profit maximisation. Arguments include: CSR is behaviour over and above the basic requirements imposed by law; CSR is linked with sustainable development; CSR accepts the need to integrate economic, social and environmental impacts of operations; CSR is not an optional extra but core to achieving business goals.

The case against revolves around the issue of how far CSR challenges conventional views of the prime purpose of business being to maximise profits and protect shareholder value, as well as the legal issues involved. Answers to the second part of the question depended on the sort of organisations candidates work for.

The answers given demonstrated a wide spectrum of marks; some at distinction level, whilst others contained very little knowledge content at all. Some responses referred to mainly ethical employee practices and ignored the broader elements of CSR policy. Others attempted to present the business case by either highlighting the positive aspects of CSR in terms of reputation, sales and better quality employee applicants, or they cited various incidents from which organisations had suffered an avalanche of bad press, which alienated public opinion.

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But on the whole, strong answers clearly demonstrated a good working knowledge and understanding of CSR and provided well-structured arguments for and against organisational policies. Weak answers explained the concepts but failed to make a reasoned case for and against and they provided little explanation why their organisation has or does not have such a policy.

Question 3

Learning outcome: 2

This question asked candidates to draw upon research and discuss what is meant by a 'collegial style of management'. They also had to discuss the extent senior management in their organisation either demonstrated or did not demonstrate a collegial style of management and why.

A collegial style of management is one where a consensus on decisions is sought by the top manager (CEO or managing director). This is done by listening to what other managers and in some cases subordinates have to say about these proposed decisions. Thus a collegial leader is likely to share power and authority equally among a group of colleagues. A collegial style is characterised by an atmosphere where management as a group aim to work together as a team to solve common problems through discussion, debate and involvement. As the head of the company, the CEO is likely to take actions that result in people feeling comfortable about sharing divergent views. Answers to the second part of the question depended on the sort of organisations candidates work for.

This was not a popular question but those attempting it were generally able to define and discuss the principles of collegial management. The second part of the question was usually well done, with some interesting organisational analyses. But there were few really convincing descriptions of the collegial style of management. The focus in the first part of the question was mainly on employee engagement and employee voice. Similarly, in the second part of the question, there were some accounts of engagement practices in the candidates' own organisations but little commentary on the senior management style adopted and its effectiveness. There were some cases where it was argued that management were insular and autocratic but these could have done with some evaluation of whether this style was appropriate in the circumstances.

Question 4

Learning outcome: 2

This question asked candidates to draw upon research, select any one model of the HR function, and to critically evaluate it. They also had to examine how this model of the HR function applied (or did not apply) to their organisation.

Any one model of the HR function could be analysed and critically evaluated. The most important ones include: Tyson and Fell, Monks, Story, Wilkinson and Marchington, Reilly, Ulrich and Brockbank and others. It was expected that candidates would outline the main features of any one of these models and review it. Answers to the second part of the question depended on the sort of organisations candidates work for.

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This was generally a popular question, which should have been straightforward for M-level candidates. More able candidates gave a good description of the elements of the Ulrich model, attempted a reasonable critique of it, and demonstrated how and why it applied or did not apply to own organisations. Weak answers were the complete opposite. Some other candidates missed the point of the question altogether.

The expectation was that most candidates would perform well. Unfortunately, this was not the case. The Ulrich model was by far the most popular model selected but how this was done was very disappointing, with many candidates failing to achieve a pass level of performance. It would seem that some candidates did not fully understand the model, its rationale, and its critique. This suggests that they regarded this question as the easy option but they commonly failed to deliver an acceptable answer.

Question 5

Learning outcome: 3

This question asked candidates to outline a talk on: 'What corporate strategy is and why it is important.'

Corporate strategy has a number of dimensions and features. But in essence, corporate strategy is concerned with the overall goals of an organisation, policy guidelines for action, dealing with the predictable, unpredictable and unknowable situations, encompassing critical success factors, and determining means of co-ordinating and implementing what has been decided effectively. These are commonly distinguished between variants of rational and emergent models. The reason why strategy is important in organisations is as a fundamental framework through which an organisation ensures it survives, grows and develops. But strategy also enables an organisation adapt to its external contexts and gain competitive advantage in the marketplace. The concept of strategy, however, is problematic because of the variety of approaches to it.

A large proportion of candidates attempted this question but many of them were unable to achieve a pass standard of performance. It was disappointing to note that these candidates were not able to clearly define corporate strategy. The focus of these answers was to compare a rational v emergent approach, which is probably what they had prepared for.

Often attempted definitions of corporate strategy were brief and there should have been some recognition that defining strategy is problematic. The outcome was that many answers were more focused on why strategy is important. These discussions were reasonable because strategy was observed as being a guide to organisational behaviour and there was usually some recognition of the external context. Discussion also included commentaries on the rational and emergent approaches. But in the absence of an adequate definition, some candidates resorted to outlining Porter's generic strategies and Mintzberg as examples. Weaker answers lacked research evidence and adequate reasoning and justification. Overall, this was a disappointing set of responses.

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Question 6

Learning outcome: 3

This question asked candidates to select any one model of strategic HRM and critically evaluate it. They also had to examine the extent to which this model of strategic HRM applied or did not apply to their organisation.

Any one model of strategic HRM could be selected by candidates for critical evaluation. These include variants of: best practice; best fit (external fit, internal fit and life-cycle models); and the resource based view of the firm. It was expected that candidates would outline the main features of any one of these models and review it. Answers to the second part of the question depended on the sort of organisations candidates work for.

There were some good answers to this question, typically debating 'best fit' or 'best practice' models and providing some informed evaluation of them. The most favoured model was 'best practice'. Better candidates provided a thorough description of the model and offered a sound critique. These challenged the basic premise that certain HR bundles apply to any context and they will improve organisational performance.

The weakest answers consisted of very superficial descriptions, with no evaluation of the model. Other answers contained some attempt at a critique but these were often based on problems there might be in applying the model and not an evaluation of the validity of the model itself. In other cases, some candidates were unable to identify any appropriate HR strategic model and thus failed the question set.

Question 7

Learning outcome: 4

This question asked candidates to discuss the main differences between the UK market economy and social market economies in mainland Europe and some implications for managers.

The fundamental difference between the UK market economy and the social market economies of mainland Europe is that labour is generally treated as a commodity in the UK but less so in mainland Europe. Other differences are related to the goals, management and social overheads of firms; the financial systems; labour markets; welfare systems; and government economic policy covering the role of government, trade policy, taxation policy and tax rates on income and wealth. Any of these areas could be explored and developed. There were only a relatively small number of answers to this question but most were able to draw the key distinctions between the two types of economy and provide some justification. In other cases, the scripts demonstrated that some candidates are not comfortable with questions with an economic focus.

Marginal candidates provided little research evidence and demonstrated a general but not detailed awareness of some differences between the two types of economy. This is an area of the learning outcomes where some centres need to raise the awareness of their students to economic issues and how these affect HR practitioners.

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Question 8

Learning outcome: 4

This question asked candidates to summarise what they considered to be up to three major trends in the structure of the UK labour market and discuss the main implications of these trends for their organisation in the short term.

This fairly general question was one that aimed to enable candidates to provide a variety of responses to it. The mainstream 'safe' approach is to identify changes such as: de-industrialisation resulting in less full-time manufacturing jobs and structural changes driven by new technologies; increases in service sector employment resulting in increases in part-time and flexible work and rises in numbers of women in the labour market; an increasingly ageing workforce with implications for managing them and job opportunities for younger workers; and increases in labour market flexibility due to globalisation, changing technology and government policy. These generic changes could then be related to the candidates' own organisations. Other analyses could be appropriate, providing they were justified.

This was a popular question and candidates were able to identify some relevant trends of the UK labour market. However, some candidates interpreted the 'summarise' part of the question to mean they could just list the trends, whereas a more detailed debate of them was required and expected. In the second part of the question, many candidates failed to recognise the requirement to focus on the short-term implications.

Those that failed this question produced brief and rather superficial descriptions of labour market trends and subsequently failed to discuss their implications for their organisation. It was odd the number of candidates who commented on the HR implications for their organisation with little connection to the market trends discussed in the first part of the question.

Question 9

Learning outcome: 5

This question asked candidates to draw upon research and discuss whether or not this is a satisfactory definition of present-day globalisation. They also had to critically evaluate how globalisation affects or doesn't affect their organisation.

Candidates were expected to debate the controversial, contested nature of globalisation in terms of concepts, disciplines and theories, drawing upon the literature in the field. Issues such as the roles of financial markets, internationalisation of product markets, diffusion of ICTs and other technologies, international HRM, cultural and related developments in the global economy could also be debated. Answers to the second part of the question depended on the sort of organisations candidates work for.

In approaching this question, which required a critique of the globalisation definition provided, most candidates took the opportunity to add to the definition. The second part of the question was particularly well done, with some good examples of the impact of globalisation on their own organisations.

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This was more popular than the question on MNCs. But few candidates drew on research to answer the question, although it seemed obvious that to debate the quality of the definition provided in the question other definitions would need to be presented. Most candidates wrote quite superficially about globalisation, focusing on technology, communications and how trade takes place all over the world. Fortunately, most answers were redeemed by better responses to the second part of the question.

There were only a few high quality answers that contained thorough and competent responses to each of the requirements in both parts of the question, including some reference to research. The major weakness of answers was lack of progressive and flowing arguments that drew a conclusion whether the definition is or is not satisfactory. Several scripts provided brief and superficial comments on elements of globalisation but without reference to the given definition. This may or may not be more a matter of examination technique than lack of knowledge. The second weakness was absence of discussion on the effects of globalisation on their own organisation. Those earning a bare pass made some attempt at describing these effects but these were usually limited and superficial.

Question 10

Learning outcome: 5

This question asked candidates to identify and critically review, with examples where possible, the advantages of MNCs to the host country where they are located. They were also required to identify and critically review, with examples where possible, the disadvantages of MNCs to the host country where they are located.

The advantages of MNCs to the host country include: transfer of knowledge, capital, technology and entrepreneurship, which increase investment and income; greater availability of goods and services to local consumers; greater access to managerial talent, where it is scarce; increases in exports, decreases in imports thus helping the country's balance of payments; help in equalising of cost of factors of production around the world; provide an efficient means of integrating national economies.

Disadvantages include: trade restrictions imposed at government-level; taxes or tariffs imposed on imports from other countries; limitations on quotas of imports; management of globally dispersed organisations is problematic; slow-down in growth of employment in home countries; weaken competition; technology designed for MNCs is for world-wide; profit maximisation not for the social welfare or development of economy; could result in depletion of natural resources.

Not a lot of candidates attempted this question but most provided a degree of assessment concerning the advantages and disadvantages to the host country of having MNCs operating in their economies. Some high profile and relevant organisational examples were provided. Amongst weak answers, there were two major failings. First, there was lack of detailed explanations and evaluations of the issues raised. For some candidates, this may have been because it was the last question attempted and time was running out for them. Second, and more importantly, some candidates seemed to ignore the fact that the question referred to the advantages and disadvantages to the host country. Quite often the issues discussed related to an MNC itself, not the host country. In general, the level of critical review in candidate responses was disappointing.

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Conclusion

The pass rate in this diet was 67.8% and without the poor performance of a small number of very weak centres, it would have been over 70%. The marking team was of the view that this examination paper provided a good test of all the learning outcomes and the indicative content of this unit, and it was a fair test of candidate knowledge, understanding and application of knowledge within the module. The marking team observed the following general points in assessing candidate performance in this examination:

1. The overall performance of candidates in the Section A case study was better when tackling Tasks 1 and 2 but it declined in quantity and quality in Tasks 3 and 4. Here preparation prior to the examination would appear to have been focused more on economic and non-economic advantages/disadvantages than on exploitation or a critique of the firm's business policy. Markers were disappointed to note that where answers to the case study were weak, candidates seemed poorly prepared. This was despite there being time to study the case, clear leads in it, and the issues being examined were highly topical. Further, some errors could have been avoided by candidates simply by reading the questions thoroughly and planning their responses to the question set before writing their answers.
2. In Section B, there were some good, thoughtful answers. As comments to individual questions suggest, the main weakness in answers was the failure to justify, evaluate or explain the respective answer. Candidates scoring poorly in this section generally did so over a range of questions. The marking team was of the view that the questions seemed straightforward, fair and in line with the learning outcomes of this unit.
3. It seems most candidates were familiar with the content of the questions in both Sections A and B but some had learned and digested relevant knowledge and understanding better than others. On the other hand, a small number of candidates in a number of centres appeared to be ill-prepared for the examination.
4. There appears to be some disparity in the extent to which sub-sets of candidates are receiving guidance and coaching on not only the content of the unit but also examination technique. To repeat the above point, some candidates do not pay sufficient attention to the precise requirements of a question. For some, developing the discipline of providing, at least some commentary on each element in a question could make the difference between a pass and a fail standard of performance.
5. Candidate performance in Section B tended to mirror in many cases the standard of answers produced in Section A. So where Section A was weak, so too was Section B. Similarly, some candidates performed patchily across Section B, revealing gaps in their knowledge and understanding of the learning outcomes and indicative content. Where this was the case, and Section A was borderline or at low pass level, candidates failed or got a marginal fail result.
6. Once gain poor time management, list style answers, lack of research evidence to underpin answers, and poor focus on the questions set were classic reasons for failure and poor performance. Whilst some candidates do perform well, others still appear to lack some of the fundamental knowledge required to get through the examination, such

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as the differences between a model of the HR function and a model of SHRM and liberal market economies and the European social market model.

7. It seems too there is need for a better understanding of command words such as 'evaluate' or 'critically review' in questions, particularly when candidates are assessing the operations of their own organisations. All too often, these narratives do not provide an objective account of possible weaknesses or limitations, as well as their positive aspects. The format of this examination has existed long enough now for both tutors and candidates to be aware of these demands. The same applies to the need to provide references to research and good organisational practice.
8. In summary, this examination paper was one that most students could approach with some confidence and do a good job with. Many did this and the ones that didn't seemed to be centred in a small number of centres.

To conclude, I would like to acknowledge my team of markers once again for their professionalism and contributing to the assessment process within a limited time scale. The markers were Derek Adam-Smith, John Ashcroft, Helen Bessant, Chris Evans, Dee McGhee, Alan Peacock and Amanda Thompson.

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